

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6985

BILL NUMBER: HB 1346

NOTE PREPARED: Jan 14, 2008

BILL AMENDED:

SUBJECT: Loan Broker Commission.

FIRST AUTHOR: Rep. Burton

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: *Loan Broker Commission-* The bill creates the Loan Broker Commission (LBC). The bill requires the LBC to oversee the: (1) licensing of loan brokers; (2) registration of originators; and (3) registration of principal managers.

(Current law requires the securities commissioner of the Office of the Secretary of State to oversee the licensing and registration of loan brokers, originators, and principal managers.)

Effective Date: July 1, 2008.

Explanation of State Expenditures: *Loan Broker Commission-* The LBC would have 13 members. The Chair would be either the Securities Commissioner or the Commissioner's designee. Twelve of the members would be eligible for the minimum salary per diem and travel expenses. State employees on the LBC would be entitled to travel expenses and other expenses incurred in the line of duty to the LBC. The LBC would assume several of the current duties of the Securities Commissioner.

Funds to pay for the LBC would be supplied by the Loan Broker Regulation Account (LBRA) within the state General Fund.

Background: The LBRA was appropriated \$45,219 in FY 2008 and \$45,219 in FY 2009 by the General Assembly. The Account received \$196,500 in revenue from fees and licenses during FY 2007. Additionally, the Account had expenditures of \$131,200 and received an augmentation for personal services of \$101,800 during FY 2007.

LBC Chair Responsibilities- The bill outlines the chair's responsibilities as:

- 1) providing reasonable notice to all commission members of upcoming meetings
- 2) keeping records of votes and other proceedings during meetings
- 3) keeping current files of all licenses, licensees, registrations, and registrants; and
- 4) performing any other duties that the LBC prescribes.

Committee Schedule- The LBC would be required to meet at least once annually. Any eight members would be able to request or the Chair could call a meeting at any time. The Chair would be responsible for setting the date, time, and place for all meetings of the LBC.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Office of Secretary of State (Securities Commission)

Local Agencies Affected:

Information Sources: Auditors Data via State Budget Agency. *State of Indiana List of Appropriations, July 1, 2007, to June 30, 2009.*

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